

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

|                                    |   |                       |
|------------------------------------|---|-----------------------|
| -----                              | X |                       |
| IN RE BAYOU HEDGE FUNDS INVESTMENT | : | No. 06 MDL 1755 (CM)  |
| LITIGATION                         | : |                       |
| -----                              | X |                       |
| THIS DOCUMENT RELATES TO:          |   |                       |
| -----                              | X |                       |
| BROAD-BUSSEL FAMILY LIMITED        | : | No. 06 Civ. 3026 (CM) |
| PARTNERSHIP, ET AL.,               | : |                       |
| Plaintiffs,                        | : |                       |
|                                    | : |                       |
| - against -                        | : |                       |
|                                    | : |                       |
| BAYOU GROUP LLC, ET AL.,           | : |                       |
| Defendants.                        | : |                       |
| -----                              | X |                       |
| BROAD-BUSSEL FAMILY LIMITED        | : | No. 07 Civ. 2026 (CM) |
| PARTNERSHIP, ET AL.,               | : |                       |
| Plaintiffs,                        | : |                       |
|                                    | : |                       |
| - against -                        | : |                       |
|                                    | : |                       |
| HENNESSEE GROUP LLC, ET AL.,       | : |                       |
| Defendants.                        | : | ELECTRONICALLY FILED  |
| -----                              | X |                       |

**BROAD-BUSSEL PLAINTIFFS' STATUS REPORT IN ACCORD  
WITH THE COURT'S DIRECTIVE FILED JULY 8, 2008**

Plaintiffs Broad-Bussel Family Limited Partnership, Caroline B. Glass, Marie-Louise Michelsohn, Michelle Michelsohn and Herbert Blaine Lawson, Jr. (collectively, the "Broad-Bussel Plaintiffs") respectfully submit this status report in response to the Court's directive filed July 8, 2008.

The Broad-Bussel Plaintiffs have reached an agreement-in-principle to settle, on an individual (*i.e.*, non-class) basis, their claims against defendants Jeffrey Fotta, Eqty Research and Management LLC and Eqty Research and Management LTD. Presently, the parties are finalizing execution of the settlement documents. Accordingly, the Broad-Bussel Plaintiffs

anticipate dismissing their claims against those defendants in the near future. The Broad-Bussel Plaintiffs are continuing their litigation against the remaining defendants, including Hennessee Group LLC, Lee Hennessee and Charles Gradante (the "Hennessee Defendants"). Discovery, pre-trial motion practice, trial and potentially post-trial proceedings remain to be done as to those defendants. The Broad-Bussel Plaintiffs have outstanding document requests and interrogatories to the Hennessee Defendants. Plaintiffs intend to meet and confer with the Hennessee Defendants regarding this and other discovery issues. The Broad-Bussel Plaintiffs and the Hennessee Defendants have also held settlement discussions, which thus far have been unsuccessful. The Broad-Bussel Plaintiffs also reserve their rights to pursue an appeal as to the dismissal of defendants Citibank, N.A., Faust Rabbach & Oppenheim LLP and Steven Oppenheim.

Dated: July 15, 2008  
New York, NY

Respectfully submitted,

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